



Taking Packaging for Granted—Can You Afford To?

The potential for greater efficiency in shipping and distribution is too compelling to ignore. Ask yourself this simple question, "When was the last time our company took a really close look at our product, its packaging and logistics, and how these elements work for or against each other?" Often a few changes in a product or its packaging can result in a series of improvements that ease handling, reduce storage, use less material, and save money.

Progressive companies are already gaining a competitive edge by using more efficient methods to ship and distribute merchandise. While saving money, these companies are helping the environment as well.

Even though significant amounts of packaging materials are successfully reused and recycled, containers and packaging comprised 29.7 percent of waste disposed in the U.S.¹ (1996). This amount is more than durable goods, nondurable goods, yard trimmings, food waste or any other product category, according to the U.S. EPA. Furthermore, the average growth rate for containers and packaging through 2010 is projected to be 1.8 percent annually, more than any other product category.²

Packaging serves a critical and essential role in the movement of goods, but at the same time, packaging materials can be used, reused, and recycled more efficiently. In an effort to help businesses operate more efficiently and help California reach the mandated goal to cut waste in half by the

year 2000, all groups need to examine packaging and its role in the shipment and distribution of goods.

Now is the time for California companies to reap the benefits of improved efficiency. Can you afford not to take a closer look at your present methods?

Focus on Efficiency, the Common Ground

The Integrated Waste Management Board (IWMB) is the State agency responsible for management of the 45 million tons of solid waste generated in California each year. The IWMB's mandate is to work in partnership with industry, local government, and the public to achieve a 50 percent

A team at James River Corporation reevaluated a box that had not been looked at in 30 years. Cutting two inches off the flap provided savings of \$360,000 at one plant.

reduction in waste disposed by the year 2000, while ensuring environmentally safe landfill disposal capacity. Even with significant reuse and recycling, packaging wastes comprise about one-third of material entering landfills.

To seek common ground, the IWMB explored expanding its current activities to form partnerships with interested organizations. It began by cosponsoring a workshop in October 1997 with San Jose State University's Packaging Program and

¹ *Characterization of Municipal Solid Waste in the U.S.: 1996 Update*, U.S. EPA., p. 54.

² *Ibid.*, p 129. Refers to growth of municipal solid waste generated by weight.

Departments of Materials Engineering and Environmental Studies. Seventy-five diverse stakeholders, from product and packaging manufacturers, shippers and retailers to recycling and garbage companies, participated in discussions.

Participants presented case studies and shared ideas for improving efficiency. In one session, they considered a hypothetical product and package and offered suggestions. One packaging professional mentioned that if the box was reconfigured to open on the side with a smaller surface area, there could be 20 percent material savings. This one idea could save a product manufacturer, as well as its customers, a significant amount of money. As demonstrated at the workshop, the marketplace can find integrated economic and environmental solutions.

The goals of business are profit, market share, safety, and customer satisfaction. The IWMB's goal is to cut trash in half. No matter what your reason for efficient use of packaging, this is an area where your company, suppliers, customers, and the environment can benefit. The key question is "How do we inform and involve stakeholders in the packaging and product supply, use, and recovery chain?"

A goal of the IWMB is to help companies learn about the opportunities for savings inherent in systems that ship and distribute goods more efficiently. One means of achieving this goal is to encourage partnerships among diverse stakeholders through education and access to new ideas.

Let's Build Partnerships

Partnerships work. They work because most companies are limited in what they can do alone. A change to a single link in the supply chain affects others up and down the packaging chain—sometimes positively,



other times negatively. To assure the links work together and operate efficiently, the knowledge of each participant is required. Pulling together the right people, with the right know-how, makes partnerships work.

An excellent example of an industry partnership comes from the electronic industry's Reduction, Reuse, and Recycling of Protective Packaging (R3P2) Project. Companies in this highly competitive field came together and, over the course of two years, developed the *Handbook for Environmentally Responsible Packaging*. More importantly, participating companies now have numerous examples of improved packaging and logistics. They are saving millions, in dollars and tons of material, as resources are used more effectively.

In another example, a single manufacturer spearheaded a collaborative effort to improve its market share. The James River Corporation, which manufactures tissues and paper towel products, set up a team with its suppliers, shippers, a few consultants, and a major retailer. For two years the team met to identify and modify several products, along with packaging and logistics. They found ways to cut costs and increase market share. Some changes were relatively simple. The team reevaluated a box that had not been looked at for 30 years. Cutting two inches off the flap provided savings of \$360,000 at one plant. Once again, the manufacturer cut costs and increased sales, while benefiting the environment.

Partnerships also occur within companies. Most companies naturally pay strict attention to developing and manufacturing their products. Unfortunately, packaging is sometimes an afterthought. It is designed after the product, when it is too late to make significant changes in the product's composition, shape, strength and other qualities. An approach called the *total product/package development process* is an integrated collaborative process. Various departments and outside experts work simultaneously to develop a product, its

packaging, and distribution. This speeds up the development cycle so a new product is in the marketplace sooner. It also reduces costs, which can lead to greater market share. As materials are used more efficiently, the environment benefits too.

Most California companies are not taking full advantage of innovations in packaging and logistics, even very simple ones that do not require significant investments of time and resources. How can more companies take better advantage of packaging and logistic efficiencies?

Businesses Need to Take the Lead

Industry and business, mainly manufacturers and retailers, are the primary beneficiaries of improved shipping and distribution systems. They have natural leading roles in finding solutions through partnerships with packaging professionals and logistics experts.

The IWMB is offering its services to help educate and share information. We are planning a web site that links to a wide variety of packaging organizations, packaging professionals, and logistics experts. In addition, we specialize in environmental assistance pertaining to nonhazardous solid waste—in particular, waste prevention, reuse, recycling, and buying items with recycled content. Visit our web site at:

<http://www.ciwmb.ca.gov>

If you do not have access to the Internet, contact the IWMB's Business Resource Efficiency Program for assistance at:

(916) 255-INFO

What Can You Do?

Start by reevaluating your packaging and shipping and distribution systems. Experts agree you will find ways to improve and pay your company dividends in return!



Learn more—fax back this form today!

Send us your name and address and you will receive additional information.

Complete the section below and fax it to Business Resource Efficiency at (916) 255-4580.

Name _____

Title _____

Organization _____

Telephone _____ Fax _____

E-Mail _____

Street _____

City, State, Zip Code: _____

Check if you want the following items:

— *Saving Money and Improving Efficiency of Packaging in Distribution Systems*, proceedings from the workshop held in October 1997

— Workshop notes

— Workshop case studies

— List of participants

— Information about the San Jose State University's Packaging Program

— Information about the Institute of Packaging Professionals (IOPP)

— Information about the International Safe Transit Association (ISTA)

— Introduction to the *Total Product/Package Development Process*

— *Use Less Packaging and Reduce Waste*, IWMB, 8/94, 1 p., Pub. #500-94-038

— *Preferred Packaging Procurement Guidelines*, IWMB, 4/94, 11 pp., Pub. #500-94-023

IWMB Business Assistance

— *Business Waste Reduction Assistance Programs*, IWMB, 9/97, 2 pp., Pub. #442-95-017.

— *Business Waste Reduction Publications Order Form*, IWMB, 9/97, Pub. #441-97-037.

— *Waste Reduction Awards Program (WRAP) Questions and Answers*, IWMB.

— *CA Recycling Business Assistance Team (R-Team)*, IWMB brochure, 5/95, Pub. #400-94-007

— *California Materials Exchange (CALMAX): Materials Exchange for Business Reuse and Recycling*, IWMB brochure, 3/97, Pub. #441-97-014

General Business Waste Reduction

— *Reduce, Reuse, Recycle—It's Good Business, A Guide for California Businesses*, IWMB, 4/94, 57 pp., Pub. #500-94-004 (Includes a waste assessment worksheet section)

Also, please indicate if you need assistance (identify topic):